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NHTSA-01-8677-7

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National Highway Traffic Safety Administration
Docket Management
Room PL-401
400 Seventh Street, S.W.
Washington, DC 20590

Subject: Comments on Advance Notice of Proposed Rulemaking (ANPRM) on Early Warning Reporting Requirements – Docket No. NHTSA 2001-8677; Notice 1

Dear Sir/Madam:

TRW Inc. and its subsidiaries and affiliates ("TRW") is pleased to respond to NHTSA's questions in the Advance Notice of Proposed Rulemaking (ANPRM) and to provide its active support in helping achieve the objectives of the "early warning reporting requirements" of the Transportation Recall Enhancement, Accountability, and Documentation (TREAD) Act.

TRW is a supplier of a wide variety of motor vehicle equipment to motor vehicle manufacturers (OEM's) on a global basis. During the year 2000, TRW's automotive businesses had about $11 Billion in sales and about 75,000 employees at 208 principal facilities in 21 countries in North America, Latin America, Europe and Asia. Various categories of motor vehicle equipment supplied by TRW, broken down by operating segments of TRW's automotive business, include the following:

Occupant Safety Systems – Inflatable restraint systems, seat belt systems, and steering wheels.

Chassis Systems – Steering systems and components, light vehicle braking systems (including anti-lock brake systems), vehicle stability controls (VSC), chassis modules and integrated vehicle control systems (IVCS), suspension components, heavy duty truck steering and suspension components, engine valves and related components and aftermarket operations.

Automotive Electronics – Body control systems, safety and security systems, chassis and powertrain controls and air bag sensors and control systems.

The TREAD Act seeks to ensure that NHTSA receives appropriate data concerning safety-related defects in a timely fashion, including that related to foreign recall actions and internal company data. The objective is for information provided under the TREAD Act to enhance the ability of NHTSA to be aware of potential safety-related defects as soon as possible. At the same time, the TREAD Act requires that the final rule on early warning reporting shall not impose requirements which are unduly burdensome "taking into account the manufacturer's cost of complying" with the reporting requirements and NHTSA's "ability to use the information sought in a meaningful manner to assist in the identification of defects related to motor vehicle safety".

As explained in the attached comments, TRW submits that the bulk of the data sought by NHTSA such as warranty claim data, field reports, warranty codes, property damage data, personal injury claims and lawsuits, consumer complaints, customer satisfaction campaigns and related information is more appropriately obtainable from the OEM's. TRW does not have a sufficient amount of this information for it to be of meaningful use to NHTSA. For a variety of reasons set forth in the attached comments, TRW opposes any requirement for the reporting of internal investigations, design changes and running changes to products and certain other information as explained in greater detail in its comments.

TRW has a long-standing tradition of working with NHTSA to improve motor vehicle safety. Also, TRW looks forward to the ongoing dialogue with NHTSA regarding issues under the TREAD Act and to continued involvement in TREAD Act rulemakings.

Sincerely,

Gary J. Flattery
Vice President, Quality
TRW Occupant Safety Systems

TRW COMMENTS IN RESPONSE TO NHTSA'S QUESTIONS REGARDING EARLY WARNING REPORTING REQUIREMENTS

Introduction

TRW's comments set forth below respond to NHTSA's questions in the ANPRM regarding early warning reporting where the subject matter of the question is relevant to TRW's business. In most instances, TRW will describe how the question relates to its occupant restraint business where it deals with a wide variety of safety-related issues and its products are already regulated in whole or in part by Federal Motor Vehicle Safety Standards ("FMVSS").

In some instances, TRW may not respond to a question or series of questions, if appropriate, or if the questions do not relate to the particular manner in which TRW conducts its business. For example, many of the questions relating to warranties, statistical information concerning property damage, etc. appear more appropriate for comment by the motor vehicle manufacturers ("OEM's").

I. Who Should Be Covered By The New Reporting Requirements?

Which manufacturers should be covered by the final rule and why?

At the outset, NHTSA recognizes the issue whether it may be necessary for motor vehicle equipment manufacturers to be subjected to periodic reporting at all. In the ANPRM, NHTSA states with regard to motor vehicle equipment manufacturers:

> "We are considering whether periodic reporting by some manufacturers of motor vehicle equipment is necessary to fulfill the intent of the TREAD Act." (66 Fed. Reg. at 6535)

Also, NHTSA recognizes that in many instances, a defect in a modular component is more likely to be brought to the attention of the OEM than the manufacturer or assembler of the component. As explained in greater detail below, TRW submits that it would be more meaningful to obtain the bulk of the desired information from the OEM's, if at all.

Further, TRW suggests that NHTSA adopt an incremental approach to periodic reporting. Initially, NHTSA can determine how meaningful early warning reporting is by limiting the process to OEM's. After the burdens and usefulness of the process have been tested, then NHTSA can determine whether the motor vehicle equipment industry and NHTSA have the capacity to further impose periodic reporting requirements on manufacturers of motor vehicle equipment in a manner that will further the purposes of the TREAD Act.

II. What Information and Data Should Be Reported?

General Questions

Which offices of manufacturers receive, classify, and evaluate warranty and claims data, and other data or information, related to deaths, serious injuries, and property damage involving a manufacturer's products that occur in the United States?

Primarily, TRW receives selected warranty information from its Ford and DaimlerChrysler customers. TRW has been required to secure and pay software fees to access these two customers' warranty information databases. For other customers, the warranty information is even less detailed. Where it is provided, it may already be summarized by the customer and is simply a listing of reported repairs. There is no data provided to TRW in this warranty data concerning any accidents, injuries or property damage. TRW's analysis is limited to organizing reported non-conformances into Pareto charts. In North America, TRW does not regularly receive warranty information from European customers or from TRW European operations. Information involving claims of personal injuries and deaths is normally received by TRW's Law Department at its headquarters in Cleveland, Ohio.

In what form is that data received and maintained? If it is maintained electronically, please describe the database system in which it is kept.

Ford and DaimlerChrysler make their warranty information available electronically. Their formats are not similar. TRW usually saves the information into text delimited files and then imports the information into applications such as Excel or Access files.

Is the warranty information otherwise classified (for example, warranty codes, lawsuits)? If so, how? By whom is such information evaluated?

Warranty information from customers has customer-assigned warranty repair codes. Often, there are many similar codes and code descriptions making it difficult for TRW to analyze trends based on reported codes. TRW doesn't always receive complete information about the meanings of all the codes or their proper use. TRW doesn't receive information about lawsuits or accidents from OEM's in the warranty information. Warranty information coming into TRW's occupant restraint business electronically is evaluated within the quality organization by a warranty specialist.

Do manufacturers in the United States (defined to include importers of vehicles or equipment for resale), currently receive warranty and claims data, and other data or information, related to deaths, serious injuries, and property damage involving their products that occur outside the United States? If so, in what form are these data received?

This type of information is not ordinarily received in the quality organization. Occasionally, sketchy information about claims and lawsuits involving deaths and serious injuries is received by the TRW Law Department from TRW operations outside the U.S.

If a manufacturer in the United States does not receive, maintain, and evaluate such data or information referred to above, what entity does (e.g., foreign affiliate, factory-authorized importer, outside counsel, other third-party entity)? Do manufacturers require that entity to make periodic reports to it?

TRW's U.S. operations don't ordinarily receive this type of information directly from foreign customers, nor do TRW U.S. businesses ordinarily receive it from TRW foreign operations.

In what form is foreign data or information received (e.g., electronically, e-mail, inter-company memo)? Is it maintained separately or is it combined with data about events occurring in the United States?

TRW's U.S. operations don't ordinarily receive this type of information directly from foreign customers, nor do TRW U.S. businesses ordinarily receive it from TRW foreign operations.

What is the length of time that manufacturers maintain warranty data and claims data? Is this period different for data related to events occurring outside the United States?

Warranty analysis information that has been completed is normally maintained for 3 to 5 years. The durability of the electronic data is unknown to TRW. Again, there is no information available to TRW's U.S. operations from outside the US.

Are U.S. dealers currently collecting and/or maintaining information relevant to early warning reporting? If so, what is this information, and to what extent is it furnished to the manufacturer?

The OEM's control the interface between dealers and the OEM's including warranty information provided by dealers to the OEM's. Therefore, TRW cannot respond to this question.

Should there be a cut off date for reporting (e.g., not require it regarding vehicles or equipment that are older than some specified age)? If so, what age or ages?

Warranty information, indirectly available from customers, probably has a limited life span. This corresponds to the time for which customers warrant their products. This may be a combination of time after product sale and/or mileage. Except for special customer initiated studies, there is almost no feedback to TRW about high mileage/long time in-service vehicles.

Is there additional information or data beyond that mentioned in this notice that manufacturers should report to NHTSA that would assist in the identification of defects related to motor vehicle safety? For example, assembly plant quality reports, dealer feedback summaries, test fleet summary reports, fleet experience, and rental car company reports.

Many customer reports do not relate directly to actual quality issues.

Questions Relating to Claims

What is the appropriate definition of "claim?"

One type of "claim" is a warranty repair event conducted by a dealer on behalf of itself or a purchaser of a vehicle. Claims are usually indexed by the customer with a unique tracking number with supplemental information about the VIN, dealer code, etc. Also, there are claims for personal injuries and/or property damage where the claimant seeks monetary compensation. There needs to be a clear definition of "claim" so that a manufacturer required to report information about claims isn't burdened with difficulty and confusion in determining which events are "claims". For example, a claim in the personal injury context might be defined as follows with respect to motor vehicle equipment:

> "A claim is defined as a written demand for compensation against the manufacturer or written notice to the manufacturer of litigation where compensation is sought from the manufacturer and it is expressly alleged that

death or serious personal injury has been caused by a defect in a specified vehicle and/or in specified motor vehicle equipment of the manufacturer."

There are problems with defining "serious personal injury" even using references to the AIS injury severity ratings. Therefore, the definition of "serious personal injury" will be left to a later stage in the rulemaking process.

What information should be submitted (e.g., just the number of claims by make, model year and component or system, or more information, including summaries and names of complainants)?

Claims tracking is used by OEM's to track and pay warranty charges to their dealers who may make more money with more claims. While useful information may be embedded in the claim, the raw data would be too much to deal with without further analysis. Information is analyzed by the OEM to project warranty costs, build and stock replacement parts and to understand customer satisfaction issues. Any early OEM analysis seems to be done to reduce long-range warranty costs. The reporting of claims should follow the same guidelines established for lawsuits.

Should NHTSA only require the submission if claims are about problems with certain components? If so, which ones?

Today there are many claims which simply describe the product replaced and not the root cause of the repair. In the case of inflatable restraints, the airbag may be replaced because a warning light illuminated. The root cause may be in a crash sensor or elsewhere, but the mechanic replaces the airbag and that is reported in the claim. Since the problem is not fixed, the next claim on that VIN may be the control module, then the next claim on the sensor. Dealers have little incentive to minimize and accurately describe the source of the repair. OEM's usually publish appropriate diagnosis instructions, but they are not always followed.

Should information about all claims involving serious injuries or deaths be submitted, or should there be some threshold?

A threshold approach would be preferable. For example, this could be based on the same process used by NHTSA to determine whether a preliminary evaluation (PE) should be initiated. When a predetermined number of claims with common issues have been received during the same manufacturing time period, a report with vehicle and component identifications could then be sent to NHTSA. This will provide sufficient information to NHTSA to determine that contact with a manufacturer is warranted. Direct discussions can then take place between NHTSA and the manufacturer concerning the details of the particular product issue.

Questions Relating to Warranties

Should warranty data be reported? If so, are there specific categories which should be included or excluded?

TRW submits that vehicle equipment manufacturers should not be required to report warranty data, because most of that data originates at the OEM level. It appears that most warranty information involves non-safety related issues such as fit, color, and surface scuffs. Many times

dealers replace original equipment parts as a show of good will toward the customer even when there is in fact no defect. This has nothing to do with a potential safety issue. Only safety-related claims should be reported, but these suffer the problem of poor root cause description by the originators of warranty reports.

How do manufacturers maintain warranty data? How long is it kept? For what purposes is it kept? How do manufacturers review warranty data to identify possible safety concerns?

This question is best answered by the OEMs. They each generate, maintain and use their own warranty data differently. Except for a small number of OEMs, TRW does not have direct access to the OEM's warranty information. The OEM considers this warranty information to be proprietary and confidential. TRW is not allowed to share that information with third parties. Where there is access, that is limited to what the OEM's make available and is further limited by the OEM's control of all coding and reporting.

What thresholds, if any, would be appropriate with respect to specific vehicle components, systems, and equipment items, below which warranty information would not have to be reported to NHTSA? Should there be different thresholds for different components or systems?

Vehicle equipment manufacturers do not have sufficient insight into warranty thresholds. Warranty data is used primarily by OEMs in cost and customer satisfaction management. Currently, it may be impossible to realistically search for safety issue trends in the data.

Should thresholds be based solely on claims rates, or should there be some absolute number of claims that would trigger a reporting requirement?

Any thresholds should be based on claim rates rather than pure counts.

What sorts of warranty information should be reported (e.g., make, model, model year, component)? Unless the warranty information is better organized and more closely checked for problem description, it may be useless for this purpose.

Are there warranty codes common to the motor vehicle industry? Passenger car industry? Heavy truck industry? Motor home industry? Child seat industry? Etc.?

Warranty codes are not standard in the industry and are not within TRW's control.

Should NHTSA require warranty data to be submitted using standardized codes? If so, what level of standardization would be appropriate?

Requiring standard warranty codes may be useful for current warranty management, but might not focus on the root cause of safety issues because of the disciplines used in initially assigning the codes. One reason there are no standard codes is that manufacturing and assembly processes as well as components themselves vary between OEM's and vehicle equipment manufacturers.

In what form should NHTSA require warranty information to be submitted?

Warranty information, if submitted, should be reported by the OEM. The OEM has ultimate control over the data and the interaction and specifications of the various systems, sub-systems

and components. For example, issues may arise from the interaction of several fully compliant components that may not fully conform when assembled into the vehicle. Also, the OEM controls and defines the warranty reporting detail.

Questions Relating to Lawsuits

What information should be provided about lawsuits?

If known, the name of the complainant, the injury as described in the complaint, and the allegedly defective component, if identified. In many instances, much of this information cannot be determined from the complaint or other information provided by a plaintiff. Frequently, some of this information cannot be determined by a defendant until many months after receipt of the complaint.

Should information be provided about each lawsuit involving an alleged defect?

Even at the time that many suits are filed (e.g. California form pleadings) there is insufficient information provided by the plaintiff to even determine the vehicle involved let alone the specifics of the alleged product defect or even product at issue. The information is advocate generated and should be used only in ways which recognize the source of the information.

Questions Relating to Design Changes

Should information about design changes be provided? If so, should all changes be covered or just or only those relating to specified components or systems important to vehicle safety? If so, which components or systems?

No. Any requirement to provide information about all design changes would be overly burdensome and would not provide any useful or meaningful information to NHTSA having any discernable bearing on safety-related issues. Numerous design changes and running changes are made to TRW vehicle equipment products during the life of the product. After a product goes into production, numerous changes are made for manufacturability reasons, appearance, raw material issues and a variety of reasons which may or may not have any bearing on the performance of the product. TRW submits it would serve no useful purpose for NHTSA to require the reporting of design changes, running changes and the like. Moreover, it would be very difficult, if not impossible, for NHTSA to attempt to determine how a few out of thousands of changes might have any potential impact on motor vehicle safety.

Change control management is a major requirement of QS9000 (ISO9000) based requirements imposed on the manufacturers by the OEMs. Embedded in change management is initial and ongoing conformance to specifications. For safety components this includes continued demonstration of conformance to FMVSS requirements. Changes always need to be evaluated to specifications and this is confirmed through the testing and other processes. Many customers require their added concurrence to changes that potentially effect FMVSS requirements.

Should different considerations apply to prospective-only running changes than to changes to service parts?

No. The same comments set forth above regarding design changes apply to running changes. There are literally thousands of changes which have no potential bearing on any safety-related issue.

Questions Relating to Deaths and Serious Injuries

What systems for characterizing the seriousness of injuries are used in countries other than the United States? How do they relate to the AIS system?

Although the AIS system is a universally recognized measure of injury severity, there could still be problems in its application to the early warning reporting process.

Are the AIS3 "serious" criteria appropriate as indications of "serious injury?" If not, what criteria are appropriate?

Although the AIS3 injury criteria appear on their face to be a good indicator, this subject will require further analysis in the rulemaking process.

How shall it be determined whether a claim pertaining to an injury pertains to a serious injury? What assumptions should be made? If an initial claim does not allege a "serious" injury, should the manufacturer be required to report the claim later if it learns that the injury was serious or alleged to be serious?

Manufacturers should only be required to report what has been reported to them in writing. No further analysis or speculation should be required.

Would manufacturers find it less burdensome to report to NHTSA all allegations of injury caused by a product defect?

In most instances, manufacturers of motor vehicle equipment are only in a position to report what has been expressly reported to them in writing. Most often, these are only allegations having no basis in fact.

How and to which office are deaths and serious injuries reported? Is the answer different with respect to incidents that occur in foreign countries?

Threatened claims and lawsuits against TRW involving deaths and serious injuries are ultimately reported to the TRW Law Department regardless of how they were originally reported to TRW.

Questions Relating to Property Damage

TRW is not responding to the questions regarding property damage since TRW doesn't receive many property damage claims and doesn't maintain statistically significant data regarding property damage claims. Such information would not provide any meaningful information about potential safety-related defects insofar as TRW is concerned.

Questions on Internal Investigations

Should a manufacturer be required to report information on active investigations that it has initiated with respect to potential defects in its vehicles or equipment? How, if at all, should it be determined that these are safety related? What is the extent to which this information should be reported?

No. To begin with, "investigations" could encompass a wide variety of analyses and studies initiated either informally or formally. To answer the question also requires an understanding of what is meant by "investigations" which could have a wide scope and variety of meanings having no bearing on product safety. Even if an investigation did have some bearing on product safety, there could be issues of the attorney-client privilege, right against self-incrimination and other similar issues. Also, if there were a requirement to report investigations, this could have a chilling effect on initiating investigations and could hinder the purposes of the TREAD Act. Some manufacturers might be reluctant to initiate investigations for fear they must be reported.

For a variety of reasons, TRW also opposes any suggestion that NHTSA be granted access to confidential company websites. Many internal company websites contain highly confidential information of a competitively-sensitive nature both about the company and its customers. Granting access to these websites to anyone outside the company would not be appropriate. Such access could lead to leaks of competitively sensitive information.

Manufacturers should continue to report to NHTSA whenever a potential safety-related defect has been assembled into vehicles for sale to the public as required under present law. TRW believes that the current reporting procedures as required by law and regulations thereunder prior to the TREAD Act are sufficient to assure timely reporting of potential safety-related defect issues.

What is an appropriate definition of an internal investigation that should be reported to NHTSA?

There does not appear to be an appropriate definition of "investigation" for this purpose. If an internal investigation indicates that FMVSS non-conformant material or component containing a defect relating to motor vehicle safety may have reached an OEM, been assembled into a vehicle and left the OEM's control and entered the channel of distribution, the event should promptly be reported to NHTSA as required by current law. However, the usual and customary meaning of the term "investigation" is so broad as to not serve a useful purpose in this context.

Should manufacturers be required to report such investigations as soon as they are commenced? If not, at what point should the investigation be reported to NHTSA?

See the responses to the previous two questions concerning the initial problem of defining "investigation". Even if this were not difficult to determine, NHTSA could have great difficulty in devoting sufficient personnel to the review of this information in any meaningful manner.

Questions on Customer Satisfaction Campaigns, etc.

Should "customer satisfaction campaigns," "consumer advisories," "recalls" or "other activities involving the repair of motor vehicles or motor vehicle equipment" be defined in NHTSA's regulation, and, if so, what would be an appropriate definition for each of these terms?

These types of campaigns are controlled entirely by the OEM.

Questions on Identical and "Substantially Similar" Motor Vehicles and Equipment

Is the word "identical" understood internationally, or do we need to define it? If so, how?

The word "identical" is probably not understood internationally or even nationally. Most would probably define "identical" as the exact same design or part number used in different applications.

How should a manufacturer determine if a vehicle sold in a foreign country is "substantially similar" to vehicles sold in the United States? Is it enough that the vehicles share the same platform and/or engine family? If not, why not?

This is a question best left to the OEMs. At the component level, it may be possible to describe similar designs from one country to another and look for safety issue interactions. But, similar components may have different performance characteristics due to OEM-controlled vehicle configuration or use. Similar or even identical components may work differently from one vehicle model to another due to differences in the OEM's vehicle systems designs.

How should "substantially similar" motor vehicle equipment be defined? Would the definition be different with respect to individual parts, component parts, assemblies and systems? Other than tires and off-vehicle equipment (such as child seats), should the definition be restricted to replacement equipment for substantially similar motor vehicles?

A "substantially similar" component should be defined in terms of designs using like mechanisms, materials, constructions and being used by customers in like applications.

Questions on Field Reports

What is an appropriate definition for "field report?"

"Field reports" need to be clearly defined if they are to be reported. TRW employs technical representatives at customer assembly plants to serve as TRW's "eyes and ears" at the customers. These people periodically provide reports about the ongoing suitability of TRW products. These relate to issues of conformance with specifications, delivery, packaging and general customer servicing. They are sometimes called "field reports". These reports do not provide any indication of future safety-related events. TRW receives notice of product issues through claims or litigation long after products are manufactured and very infrequently through direct communication with the ultimate consumer. TRW encourages the consumers to report all product complaints to the appropriate OEM, since the OEM is best suited to address issues at the consumer level. Occasionally, TRW will be asked to participate in an OEM's investigation of an alleged product defect, or warranty concern that has surfaced at the OEM level. However, the usefulness of such information in identifying potential field concerns at an early stage is seriously questioned. In many cases, the complaints and field reported information is not sufficiently complete or reliable to appropriately categorize the nature of the report or significance of what should possibly be reported.

In the context of field reports for which information is to be provided, should there be a list of systems, parts, and components that are safety related? Should it be the same as the list for warranty claims and other claims?

In the context of a field report, there should be a national standard form listing major vehicle systems and sub-components. This form should further have a simple, standard method to code the observation and to provide for the possibility of follow-up calls to on-site investigators. This list should be much simpler that the several hundred warranty classification codes. It would appear appropriate to list and group components consistently for purposes of compiling information gathered from "field reports" and warranty and other claims, to the extent that these sources of information have any similarity.

Do manufacturers screen field reports for safety-related information? If so, what are their systems and how do they work?

This question is best answered by the OEMs. Because of the factors discussed above, TRW does not typically receive an overwhelming number of "field reports" regarding its products.

How do manufacturers process and maintain field reports? Is all information entered into computers?

TRW "field reports" are different than the context of this series of questions. Information TRW collects is usually analyzed and presented in various graphical formats which would not be of meaningful use to NHTSA.

What information regarding field reports should be provided NHTSA? Should there be a numerical or rate threshold before field reports must be provided?

Reporting to NHTSA all field reports received does not appear warranted considering the TRW experience. It would appear appropriate to adopt some sort of threshold for reporting field reports which recognizes the inherent limitations and unspecific nature of much of the information typically received.

III. When Should Information Be Reported?

Should reporting frequency vary depending on the type of information (e.g., deaths, injuries, warranty rates, complaints, etc.)? If so, what is an appropriate frequency for each type?

Reporting frequency should vary as a function of the type of the information being reported. The frequency of reporting should be such that it doesn't impose an undue burden on the manufacturer or NHTSA.

Should reporting frequency vary depending on the type of vehicle or equipment (e.g., passenger car, bus, child seats or other equipment)? If so, what is an appropriate frequency for each type?

No. The frequency of reporting should be the same regardless of vehicle type or equipment type.

Should reporting frequency vary depending upon the component or system involved (e.g., air bag, child restraint, seat belt assemblies, brakes)? If so, what is an appropriate frequency for each?

No. For consistency, the reporting frequency should not vary.

Should manufacturers of particular equipment, such as off-vehicle and accessory equipment, be required to report data on a periodic basis, or only if they receive certain information such as claims alleging deaths or serious injuries involving their products?

They should be required to report data in the same manner as original equipment.

IV. How Should Information Be Reported?

How would manufacturers prefer to report information to us (e.g., hard copy, electronically)? If both, what would be in hard copy? What would be in electronic format? Which electronic format(s) would be preferable?

NHTSA should develop an open electronic system to receive the input from various sources. Today, each OEM has a unique data structure for its warranty information. A NHTSA standard electronic reporting format would improve the speed of transmission and usefulness of the data. Further, this would reduce the chance that a common component between several vehicle manufacturers is not reported because of differences in data formats.

Should information regarding deaths and serious injuries be submitted in the form in which it is received by the manufacturer, the form in which it is entered into a database by the manufacturer, or in some other way?

Information regarding deaths and serious injuries should be submitted by manufacturers to NHTSA in the form in which it is received. In that way, manufacturers are not required to make subjective determinations or to speculate about the meaning of what is reported to them by claimants.

The following five questions relate to the possible use of a spreadsheet for reporting aggregate information.

What do manufacturers understand the term "aggregate statistical information" to mean?

Aggregate statistical information refers to summary statistics for large amounts of data that can be analyzed using statistical methods. TRW's concern with aggregate statistical information is the difference in the meaning of terms within a customer and between customers. Compounding differences in definitions is the basic problem of miscoded information. For example, warranty claims may be reported one way, but on physical inspection or review, the root cause for the claim is entirely different.

Is aggregate statistical information regarding claims, deaths and injuries likely to be useful in identifying potential safety-related defects? Would it be too general to be useful?

This type of information is not currently available to TRW in any meaningful quantity. The best sources of this information are the OEMs or NHTSA.

Would this type of aggregate statistical information tend to result in a large number of investigations into issues that are not related to potential safety-related defects?

Yes, this would likely be the case. Today, a dealership mechanic may code a warranty claim as airbag inoperative, and replace the air bag module. Then, the returned air bag module is analyzed and no

electrical or other issue is found. The root cause may be in the electrical control module or a connector that was not completely connected at the assembly plant or some other cause. One must undertake considerable investigation to understand the actual root cause. The reported problem may often be the easiest statement to enter into the claim form and, therefore, doesn't always produce meaningful information.

V. How NHTSA Might Handle and Utilize Early Warning Information Reported To It

How should NHTSA review and utilize the information to be submitted under the early warning rule?

This question can best be answered by the OEM's depending on the nature and quantity of data to be reported to NHTSA. For example, it might be determined that a threshold target reporting process would be the most feasible with only vehicle and equipment identifications being submitted to NHTSA.

What system or processes should NHTSA utilize in reviewing this information?

NHTSA should use a standard, open system that all interested parties would be able to use. This is especially important to assure standard data collection and to minimize the time needed to transpose information from one data format to another.

Burdensome Requirements

What are the estimated startup and ongoing costs (including financial as well as manpower costs) of complying with the early warning reporting requirements discussed in this notice? What is the basis for the estimate?

Without knowing the final requirements, this will be hard to estimate. In any event, if a wide variety of the contemplated reporting requirements are imposed on TRW, this would result in significant increases in required manpower and potential additional costs of several million dollars per year.

How should NHTSA decide whether particular requirements are "unduly" burdensome? Should NHTSA balance the burdens against the anticipated benefits or receiving the information in question? If so, how should we perform that balancing?

TRW submits the early warning reporting system as proposed would be unduly burdensome on manufacturers and NHTSA. Before any system is implemented, there would need to be an analysis of the burdens and benefits to all concerned.

What is the most effective early warning information and least burdensome ways of providing it?

The most effective early warning information could come from uniformly reported accident/incident reports. These reports could be centrally collected and analyzed by NHTSA and appropriate early warning inquiries made by NHTSA to the affected OEMs and to the affected manufacturers of equipment. The least burdensome way is to provide this information

with direct, electronic reporting by police and similar authorities from the initial investigation to NHTSA and then electronically to OEMs and manufacturers of equipment.

Have manufacturers developed or are manufacturers beginning to develop and implement their own early warning reporting procedures in advance of NHTSA's rulemaking? If so, what are these procedures. How do these procedures differ from those discussed in the ANPRM? How are they similar?

TRW is looking more closely at warranty information, but the availability from various OEMs is spotty and limited. Most OEMs do not provide any warranty data at all. TRW will continue to utilize quality and management systems to control the design and manufacture of safety products and to take prompt action in the event any products that do not conform to an applicable FMVSS or that contain a defect relating to motor vehicle safety leave TRW's control. The TREAD Act seeks to find early indicators of potential product safety concerns by utilizing various data streams. None of the current data streams contain effective indicators of potential product safety concerns. As stated previously, the current data, such as warranty data, is not reliable due to un-trained personnel filling out forms and not always determining the root cause of a component problem.